GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4219
ANSWERED ON:04.05.2007
CLOSURE/ MERGER OF PRIVATE BANK
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Will the Minister of FINANCE be pleased to state:

(a) the details of Indian Private Banks which have been closed or merged in the last three years;

(b) whether the Government has found out the reasons of the closure / merger; and

(c) if so, the details thereof?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a) to (c) : Since April, 2004, due to poor financial position, the following private banks have been amalgamated with other banks under the provisions of Section 45 of the Banking Regulation Act, 1949:-

(i) The South Gujarat Local Area Bank with Bank of Baroda.

(ii) Global Trust Bank with Oriental Bank of Commerce.

(iii) Ganesh Bank of Kurundwad with Federal Bank Ltd.

(iv) United Western Bank Ltd. with Industrial Development Bank of India Ltd.
Further, during this period, Bank of Punjab Ltd. has merged with Centurion Bank Ltd., IDBI Bank Ltd. with Industrial Development Bank of India Ltd., Bharat Overseas Bank Ltd. with Indian Overseas Bank and Sangli Bank Ltd. with ICICI Bank Ltd., as part of business strategy of these banks.